

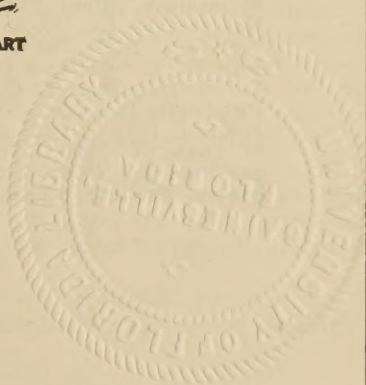
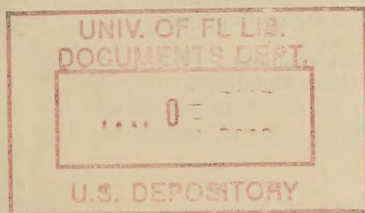
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

WIPING CLOTH INDUSTRY

AS APPROVED ON FEBRUARY 17, 1934



UNITED STATES
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Approved Code No. 298

CODE OF FAIR COMPETITION
FOR THE
WIPING CLOTH INDUSTRY
AS APPROVED ON FEBRUARY 17, 1934

ORDER

**APPROVING CODE OF FAIR COMPETITION FOR THE WIPING CLOTH
INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a Code of Fair Competition for the Wiping Cloth Industry, and hearings having been duly held thereon and the annexed report on said Code, containing findings with respect thereto, having been made and directed to the President;

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Code complies in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Code of Fair Competition be and it is hereby approved, provided that the Code Authority shall appoint a Committee, which shall make a study of minimum wages in the Industry looking toward measures which will enable an increase in such minima, and shall report such study, with recommendations, to the Administrator prior to December 31, 1934.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. D. WHITESIDE,
Division Administrator.

WASHINGTON, D.C.,
February 17, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: The Hearing on the Code of Fair Competition for the Wiping Cloth Industry was held at the Mayflower Hotel, Washington, D. C., on December 11, 1933. The Code, which is attached, was presented by duly qualified and authorized representatives of the industry, complying with statutory requirements, said to represent 70% in number and 80% in volume of the industry.

In accordance with the customary procedure, everyone present who had filed a request for an appearance was freely heard in public and all statutory and regulatory requirements were complied with.

The provisions of this Code have been approved by the Labor Advisory Board, the Industrial Advisory Board, the Research and Planning Division, and the Legal Division. The Consumers Advisory Board approved all provisions of the Code except the one requiring the use of a standard form of contract by all members of the industry.

THE INDUSTRY

In 1929 the industry did a twelve (12) million dollars volume of business; in 1933 this volume had declined about 40% to around seven (7) million dollars. The industry employed four thousand (4000) full-time workers in 1929 and in 1933 the number had declined to about twenty-five hundred (2500). The employment is divided about equally between men and women. The operations performed by men are distinctly different in nature and degree of skill from those performed by women. In 1929 the average minimum wage for men was thirty-five cents (35¢) per hour and for women twenty cents (20¢) per hour; on July 1, 1933, this had decreased to twenty-five cents (25¢) for men and fifteen cents (15¢) for women, and in some localities to as low as nine cents (9¢) per hour for women. In 1929 the average number of hours worked per week was sixty (60), and on July 1, 1933, it was fifty-five (55). The hours provided in this Code show a 27% reduction from those in effect on July 1, 1933, and should increase employment accordingly. The Code provisions on wages will result in a substantial increase in pay over the wages in effect on July 1, 1933.

PROVISIONS OF THE CODE

The Code provides minimum wage rates of thirty-two and one-half cents (32½¢) per hour for men and twenty-seven and one-half cents (27½¢) for women in the North, twenty-seven and one-half cents (27½¢) per hour for men and twenty-two and one-half cents (22½¢) per hour for women in the South. No office or clerical employee shall be paid at a rate of less than fourteen dollars (\$14) per week in the North or thirteen dollars (\$13) per week in the South. Provision is made for maintenance of differentials in wages above the minimum.

Hours of work are limited to forty (40) hours per week and eight (8) per day with the following exceptions: truck drivers and their helpers may work forty-eight (48) hours per week; electricians, firemen and factory machinery repairmen may work forty-four (44)

hours per week; watchmen may work fifty-two (52) and fifty-six (56) hours per week on alternate weeks or an average of fifty-four (54) hours per week. Executives receiving thirty-five dollars (\$35) or more per week, outside salesmen and outside buyers are not limited in hours. Employees engaged in emergency maintenance or emergency repair work are not limited in hours but must be paid time and one-third for hours worked in excess of their normal maximum. No employee is permitted to work more than six (6) days in any seven-day period.

Representation on the Code Authority is provided for all members of the trade.

Trade practice provisions have been incorporated to eliminate unfair practices which have sprung up in the industry.

FINDINGS

The Deputy Administrator in his final report to me on said Code having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) Said Code is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practice, by promoting the fullest possible utilization of the present production capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said trade industry normally employs not more than 50,000 employees, and is not classified by me as a major industry.

(c) The Code as approved complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant association is an industrial association truly representative of the aforesaid Industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Code is not designed to and will not permit monopolies or monopolistic practices.

(e) The Code is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) The engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Code.

For these reasons, this Code has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

FEBRUARY 17, 1934.

CODE OF FAIR COMPETITION FOR THE WIPING CLOTH INDUSTRY

ARTICLE I—PURPOSES

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Wiping Cloth Industry, and shall be the standard of fair competition for such industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

1. The term "Wiping Cloth Industry", as used herein, means and includes the laundering and/or sterilizing of textile fabrics for conversion into wiping cloths (and the processing incidental thereto), and/or the sale of such wiping cloths.

2. The term "employee" as used herein, means and includes anyone engaged in the Industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of such compensation, except a member of the Industry.

(a) The terms "outside salesman" and "outside buyer", as used herein, mean and include any employee who is engaged exclusively in selling and/or buying respectively outside the establishment of his employer.

(b) The term "watchmen", as used herein, means and includes those employees who are exclusively engaged in watching plants, property, and/or plant equipment.

(c) The phrase "employees in a managerial capacity", as used herein, means and includes foremen and office managers.

(d) The term "clerical and office employees", as used herein, means and includes any employee who is engaged in work of a clerical, accounting, sales, or service character, in the office of a member of the Industry.

3. The term "employer", as used herein, means and includes anyone by whom any such employee is compensated or employed.

4. The term "member of the industry", as used herein, means and includes, but without limitation, any individual, partnership, association, corporation or other form of enterprise, engaged in the industry, either as an employer, or on his or its own behalf.

5. The terms "President", "Act", and "Administrator", as used herein, shall mean, respectively, the President of the United States, Title I of the National Industrial Recovery Act, and the Administrator for Industrial Recovery.

6. The term "South", as used herein, means and includes the States of Maryland, Virginia, North Carolina, South Carolina, Florida, Georgia, Alabama, Tennessee, Kentucky, Mississippi, Louisiana, Arkansas, Missouri, Oklahoma, Texas.

7. The term "North", as used herein, means and includes all of the territory of the continental United States except that portion included under the term "South".

ARTICLE III—HOURS

1. No employee, except as herein otherwise provided, shall be permitted to work in excess of 40 hours in any one week or more than 8 hours in any 24-hour period; provided, however, that office and clerical employees shall be permitted to work not to exceed 80 hours per year in addition to the maximum herein above established; and provided further, that such additional hours shall be compensated for at the rate of time and one-third.

2. The maximum hours fixed in the foregoing section shall not apply to:

(a) Truck drivers and their helpers, who shall be permitted to work not in excess of 48 hours in any one week.

(b) Employees engaged exclusively as electricians, firemen, or factory machinery repairmen, who shall be permitted to work not in excess of 44 hours in any one week.

(c) Engineers, who shall be permitted to work not in excess of 48 hours in any one week.

(d) Employees in an executive or managerial capacity receiving \$35 or more per week.

(e) Outside salesmen and outside buyers.

(f) Watchmen, who shall be employed in pairs and shall not be permitted to work more than 52 hours and 56 hours on alternate weeks, or an average of 54 hours per week.

(g) Employees on emergency maintenance or emergency repair work involving breakdowns or protection of life or property, but in any such special case at least time and one-third shall be paid for hours worked in excess of the maximum hours herein provided.

3. No employee shall be permitted to work more than six days in any seven-day period.

4. No employer shall knowingly permit any employee to work for any time which when totaled with that already performed with another employer, or employers, exceeds the maximum permitted herein.

ARTICLE IV—WAGES

1. No employee, except as herein otherwise provided, shall be paid at less than the following wage rates per hour:

In the North: Male, \$.32½; Female, \$.27½.

In the South: Male, \$.27½; Female, \$.22½.

2. No office or clerical employee shall be paid at less than the following weekly rates: In the North, \$14.00; In the South, \$13.00.

3. This Article establishes a minimum rate of pay, regardless of whether an employee is compensated on a time-rate, piecework, or other basis.

4. Female employees performing substantially the same work as male employees shall receive the same rates of pay as male employees.

5. No member of the industry, by reason of the adoption of this Code, shall reduce an employee's total weekly compensation (based on the four week period prior to July 15, 1933) in excess of the minimums

herein provided, whether based on an hourly, weekly or other rate, notwithstanding the fact that the hours of work of such employee may be reduced hereunder.

There shall be an equitable adjustment of all wages above minimum, and to that end, within thirty days from the effective date of this Code, the Code Authority shall submit for the approval of the Administrator a proposal for adjustment in wages above the minimum. Upon approval by the Administrator, after such hearing as he may prescribe, such proposal shall become binding as a part of this Code.¹

ARTICLE V—GENERAL LABOR PROVISIONS

1. No person under 18 years of age shall be employed in this Industry. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a certificate or permit duly issued by the Authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

2. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

3. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

4. Employers shall comply with the maximum hours of labor, minimum rates of pay and other conditions of employment approved or prescribed by the President.

5. Every employer shall provide for the safety and health of his employees at the place and during the hours of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator within six months after the effective date of this Code.

6. No provisions in this Code shall supersede any State or Federal law which imposes more stringent requirements on employers as to age of employees, wages, hours of work, or as to safety, health, sanitary or general working conditions than are imposed by this Code.

7. Employers shall not reclassify employees or duties of occupations performed by employees, or engage in any other subterfuge, for the purpose of defeating the provisions of the Act or of the Code.

8. Posting:

(a) Each employer shall post in a conspicuous place of easy and continuous access to employees, the articles dealing with hours, wages and general labor provisions of this Code.

(b) The notice shall be printed in English in type of at least 10 point, and at least three notices shall be posted in any shops employing more than 10 employees, and one in any smaller shop.

(c) All changes in the provisions of these aforesaid articles shall be posted within one week after such changes have been incorporated in the Code.

¹ See paragraph 2 of order approving this Code.

ARTICLE VI—ADMINISTRATION

To further effectuate the policies of the Act, a Code Authority is hereby constituted to administer this Code.

1. Organization and constitution of Code Authority.

(a) The Code Authority shall consist of from eleven (11) to thirteen (13) representatives of the industry, or such other number as may be approved from time to time by the Administrator, to be selected as hereinafter provided; and the Administrator, in his discretion, may appoint not more than three (3) additional members who shall be known as "administration members of the Wiping Cloth Industry Code Authority", without vote, to represent such groups or governmental agencies as he may designate.

(b) Eleven (11) representatives of the Industry shall be selected by the Board of Directors of the Sanitary Institute of America.

(c) Two additional representatives of the industry may be appointed by the Administrator or selected in a manner prescribed by him.

2. Duties and powers of Code Authority.

The Code Authority shall have the following powers, to the extent permitted by the Act.

(a) To adopt by-laws and rules and regulations for its procedure and for the administration and enforcement of this Code.

(b) To make investigations as to the functioning and observance of any provisions of this Code at its own instance, or on complaint by any person affected, and to report the same to the Administrator.

(c) To require, from time to time, from each member of the Industry, reports in such form and containing such information as the Administrator may prescribe, in order that he may be kept informed with respect to the observance of this Code. Except as otherwise provided in the Act, any reports filed in accordance with these provisions shall be confidential, and the data of one employer shall not be revealed to any other employer.

(d) To present to the Administrator, from time to time, recommendations based on conditions in the industry, as they may develop, which will tend to effectuate the operation of the provisions of this Code. Such recommendations when approved by the Administrator shall have the same force and effect as the other provisions of this Code.

(e) Within ninety (90) days of the effective date of this Code the Code Authority shall submit recommendations prescribing standards of laundering and sterilizing of wiping cloths, which, upon approval of the Administrator, shall have the same force and effect as the other provisions of this Code.

(f) Within ninety (90) days of the effective date of this Code the Code Authority shall submit recommendations for a standard form of contract for the industry which, upon approval of the Administrator, shall have the same force and effect as the other provisions of this Code.

(g) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein and to pay such trade associations and agencies the cost thereof, provided that nothing herein shall relieve the Code Authority of its duties or responsibilities under this Code, and that such trade asso-

ciations and agencies shall at all times be subject to and comply with the provisions hereof.

(h) To make recommendations to the Administrator for the coordination of the administration of this Code with such other codes, if any, as may be related to the Industry.

3. Each trade association directly or indirectly participating in the selection or activities of the Code Authority shall:

(a) Impose no inequitable restrictions on membership.

(b) Submit to the Administrator true copies of its articles of association, bylaws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

4. In order that the Code Authority shall at all times be truly representative of the trade and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

5. Members of the Industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expenses of its administration. The reasonable share of the expenses of administration shall be determined by the Code Authority, subject to review by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable to be taken into consideration.

6. In addition to the information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the Act.

7. If the Administrator shall determine that any action of a code authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by such code authority or agency pending final action, which shall not be effected unless the Administrator approves or unless he shall fail to disapprove after 30 days' notice to him of intention to proceed with such action in its original or modified form.²

ARTICLE VII—TRADE PRACTICES

The following practices constitute unfair methods of competition for the members of the industry and are prohibited:

1. The allowance of a cash discount in excess of 2%, by reason of payment on or before the 10th of the month following date of invoice.

2. No member of the industry shall use advertising (whether printed, radio, display, or of any other nature) or other representation which is inaccurate in any material particular or in any way misrepresent any commodity (including its use, trade-mark, grade, qual-

² See paragraph 2 of order approving this Code.

ity, quantity, origin, size, material content, or preparation) or credit terms, values, policies, services, or the nature or form of the business conducted.

3. The sale, or offer for sale, of laundered and/or sterilized wipers imported from a foreign country, unless all packages of such wipers are legibly marked and invoices covering the same contain a notice stating the country of their origin, that the wipers are of imported material, and that they have been laundered and/or sterilized in a foreign country. The imported wiper shall not be accompanied by the affidavit of guaranty of the Sanitary Institute of America, unless it is actually laundered and/or sterilized within the continental limits of the United States to conform to the standards of the Sanitary Institute of America.

4. The sale, or offer for sale, of wipers as sterilized or laundered, unless they are actually processed to conform with the standards prescribed by the Code Authority and approved by the Administrator.

5. The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations or by the false disparagement of the grade or quality of their goods.

6. No member of the industry shall give, permit to be given, or directly offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. Commercial bribery provisions shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

7. Withholding from, or inserting in, the invoice statements which make the invoice a false record wholly or in part. Postdating and/or predating of invoices shall be considered falsification of record.

8. The false marking or branding of any product of the industry which has the tendency to mislead or deceive customers or prospective customers, whether as to the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the industry, or otherwise.

9. The secret payment or allowance of rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or the secret extension to certain purchasers of special services or privileges not extended to all purchasers on like terms and conditions.

10. Inducing the breach of an existing contract between a competitor and his customer or source of supply, or interfering with or obstructing the performance of such contractual duties or services.

11. Aiding or abetting any person, firm, partnership, or corporation in any unfair practices in the Wiping Cloth Industry, directly or by using any subterfuge or evasion. The principal or principals of any member of the Industry shall be responsible for any violation by an agent acting within the scope of his authority.

12. The shipment of goods on consignment, except that shipments on consignment may be made solely to jobbers, in which case the consignment period shall not exceed a period of four months, after which period interest shall be charged at the rate of 6% per annum.

ARTICLE VIII—MODIFICATION

1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modification to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on approval of the President.

ARTICLE IX—MONOPOLIES, ETC.

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

ARTICLE X—EFFECTIVE DATE

This Code shall become effective on the second Monday after its approval by the President.

Approved Code No. 298.

Registry No. 299-1-21.

